

# FINAL BILL REPORT

## SHB 2426

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Synopsis as Enacted

**Brief Description:** Modifying utilities and transportation commission provisions.

**Sponsors:** By House Committee on Technology, Energy & Communications (originally sponsored by Representative Morris; by request of Utilities & Transportation Commission).

**House Committee on Technology, Energy & Communications**  
**Senate Committee on Water, Energy & Environment**

**Background:**

The Washington Utilities and Transportation Commission (WUTC) is a quasi-judicial and quasi-legislative state agency that regulates the rates, services, and practices of privately owned utilities and transportation companies. The WUTC is led by three commissioners appointed by the Governor and confirmed by the Senate for staggered six-year terms.

If a commissioner position should become vacant, the Governor may appoint a replacement subject to the confirmation process. However, there is no provision for the appointment of pro tem commissioners that can serve for a specified time or on a particular case. This is unlike the court system, which is permitted to appoint *pro tem* judges.

When the WUTC initiates a complaint against a regulated company, it must be preceded by a determination of probable cause by the commissioners. The determination is based on evidence provided by staff. If probable cause is found, the complaint will be heard by the same commissioners at an adjudicative hearing.

Commissioners personally preside in adjudicative hearings or they make final decisions based on the initial determinations of administrative law judges (ALJs). The WUTC must enter an order confirming the result of initial orders, even if no appeal is sought.

Two to three times a month, the WUTC convenes regularly scheduled meetings, called "open meetings," to process various filings. During an open meeting, commission staff present their analyses and recommend orders on various agenda items. According to the WUTC, the majority of items are uncontested and require little discretion on the part of the commissioners.

Unlike ALJs at some agencies, such as the Office of Administrative Hearings, Department of Health, and the Environmental Hearings Office, the ALJs at the WUTC are not exempt from civil service provisions.

**Summary:**

A process for the appointment of pro tem commissioners is established. At the request of the WUTC, the Governor may appoint a pro tem commissioner to allow a commissioner whose term has expired to complete an adjudicative proceeding that he or she has substantially heard.

The WUTC is given delegation authority for certain duties. Commissioners may delegate responsibility to designated assistants for "any of the powers and duties vested in or imposed upon the commission by law," except matters governed by the Administrative Procedures Act. A matter may not be delegated to any person who has worked as an advocate on the same docket. All matters will still be heard or reviewed by the commissioners upon request of an affected party.

Provisions concerning final orders and the civil service status of ALJs are specified. In general, initial orders of ALJs will become final if no review is sought. Commissioners may appoint ALJs that are exempt from the civil service law, but they are still subject to discipline and termination for cause.

**Votes on Final Passage:**

House	97	0
Senate	40	9

**Effective:** June 7, 2006